



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing the *City Manager* to Execute a New Franchise Agreement with Central Valley Waste Services, Inc.

MEETING DATE: June 18, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to execute a new franchise service agreement with Central Valley Waste Services, Inc., for solid waste removal.

BACKGROUND INFORMATION: Central Valley Waste Services, Inc., (CVWS) has provided excellent service with reasonable rates to the City since 1988. Under the existing franchise agreement, the City had the option to notify CVWS of renewal with the current contract terms at least twelve months prior to March 31, 2010. On December 19, 2007, City Council directed staff to begin negotiations on a new franchise agreement. In subsequent meetings with the City Council, staff and CVWS outlined a number of changes and new programs and have negotiated a new agreement consistent with the discussions held at those meetings.

The form of the new franchise agreement is quite similar to the existing agreement. Incorporated into this new agreement are all of the existing programs and services with some minor enhancements to those programs, services and costs, as outlined below:

1. Same weekly frequency and three-can system
2. Two additional green waste and recycling carts available at no cost
3. One free transfer station voucher
4. One Dollar Dump Day event
5. Annual curbside cleanup event
6. Electronic and universal waste collection events will be held in Lodi
7. Billing service charge continues with annual adjustment of 80% of Consumer Price Index (CPI)
- a. CVWS will pay annual street cleaning and maintenance fee of \$541,500 with an annual adjustment of 80% of CPI
9. CVWS will allow City at no cost to off load street cleanings and leaf collections at the Transfer Station (up to 1,200 cubic yards per year)
10. CVWS will collect solid waste from City facilities at no cost
11. CVWS is allowed to annually increase rates at 80% of the CPI on April 1 of each year
12. Compactor rate schedules are included in the agreement

APPROVED: _____

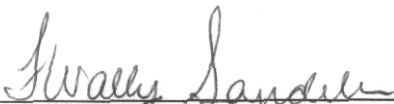
Blair King, City Manager

The new agreement will be effective January 1, 2009, and replaces the old agreement. The term of the agreement is eight years with an option to renew at CVWS discretion for a seven-year period at the end of the term.

A copy of the agreement showing revisions to the existing agreement is attached for information.

FISCAL IMPACT: The agreement will result in a substantial increase in General Fund revenue to the City each year. The current franchise payment of approximately \$390,000 will increase by \$541,500 for a total General Fund revenue of \$931,500.

FUNDING AVAILABLE: Not applicable.



F. Wally Sandelin
Public Works Director

FWS/pmf

Attachment

cc: Thom Sanchez, CVWM

**CITY OF LODI
PUBLIC WORKS DEPARTMENT**

AMENDED AND RESTATED AGREEMENT FOR SOLID WASTE COLLECTION, RECYCLING AND GREEN WASTE COLLECTION AND PROCESSING SERVICES IN THE CITY OF LODI BY AND BETWEEN THE CITY OF LODI AND USA WASTE OF CALIFORNIA, INC., dba CENTRAL VALLEY WASTE SERVICES, A WASTE MANAGEMENT COMPANY.

THIS AMENDED AND RESTATED AGREEMENT (this "Agreement") is made and entered into this ____ day of _____, 2008, by and between the CITY OF LODI, hereinafter referred to as "CITY" and USA WASTE OF CALIFORNIA, INC., DBA CENTRAL VALLEY WASTE SERVICES, hereinafter referred to as "CONTRACTOR."

WITNESETH

WHEREAS, Contractor and the City are parties to the Agreement for Solid Waste Collection, Recycling and Green Waste Collection and Processing Services in the City Of Lodi dated April 1, 2002, as subsequently modified by rate adjustments (the "Original Agreement"); and

WHEREAS, the City and Contractor wish to amend and restate the Original Agreement all on the terms provided for herein; and

WHEREAS, Contractor has provided solid waste management services to City and Contractor has represented and warranted to City that it has the experience, responsibility, and qualifications to provide to the residents and businesses in the franchise area, services for the collection and safe transport to disposal facilities of Solid Waste and City determines and finds that the public interest, health, safety and well-being would be best served if Contractor were to provide such services to residents and businesses; and

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB939), has declared that it is within the public interest to authorize and require local agencies to make adequate provisions for Solid Waste handling within their jurisdictions, and has established a Solid Waste management process which requires cities and other local agencies to implement plans for source reduction, reuse and recycling as part of their integrated waste management practices; and

WHEREAS, City and Contractor are mindful of the provisions of the laws governing the safe collection, transport, recycling and disposal of Solid Waste, including AB 939, the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"); and

WHEREAS, City and Contractor desire to enter into a new agreement to provide for specified solid waste collection, curbside recyclable collection and processing, neighborhood cleanup collection, green waste collection and processing, and illegal dumping remediation services;

NOW, THEREFORE, in consideration of the mutual promises herein, the parties hereto agree that the Original Agreement is hereby amended and restated in its entirety as follows:

Section 1 INCORPORATION OF ABOVE RECITALS

The foregoing recitals are hereby incorporated into this Agreement by reference.

Section 2 DEFINITIONS

For purposes of this Agreement, the following definitions apply in addition to those not included herein but that are defined by Municipal Code:

- a. Electronic Waste means discarded electronics equipment such as cell phones, computers, monitors, televisions, and other items containing cathode ray tubes (CRT's).
- b. Household Hazardous Waste means any hazardous waste generated incidental to owning or maintaining a place of residence, but does not include any waste generated in the course of operating a business concern at a residence. (California Health and Safety Code Division 20, Chapter 6.5, §25218(1)(e)).
- c. Refuse - Any and all discarded items and substances of every kind, including salvageable or Recyclable Materials, and garden wastes, but not including sewage, septic tank contents, sand trap contents, grease trap contents, infectious wastes or hazardous wastes as defined by state and/or federal law.
- d. Recyclable Materials – Refuse consisting of plastic bottles, tin, steel and aluminum cans, glass bottles and jars, newspapers, brown paper bags, corrugated cardboard, chipboard, colored paper and bags, magazines, white and colored paper, as well as all other materials included in the State CRV program.
- e. Universal Waste means electronics (VCR's, cell phones, radios), batteries, mercury thermostats, fluorescent lights, mercury thermometers, and other products containing mercury or other heavy metals.
- f. Yard and Garden Waste (Green Waste) – Refuse consisting of grass, leaves, wood chips, green plants, weeds, tree branches and garden trimmings, but does not include stumps or similar bulky wood materials.

Section 3 SERVICE AREA

All customers, except industrial, within the City shall be exclusively serviced by Contractor. The service area shall be the entire incorporated boundaries of the City of Lodi, including any changes to those boundaries that may occur during the term of this Agreement to the extent allowed by law.

Section 4 SERVICE TYPES

All single family dwelling and duplex customers shall have multi-cart service. All other customers shall have the option to utilize cart service or container service

- a. Multi-cart service includes the following:
 - Refuse cart (for non-Recyclable Materials and non-green waste) (brown) – 1-20 gallon, 1-35 gallon, 1-64 gallon or 1-96 gallon
 - Recycling cart (green) - up to 3-64 gallon
 - Yard and Garden cart (gray) - up to 3-96 gallon

Cart sizes indicated are minimum sizes and may be increased at Contractors option.

- b. Container refuse service will be offered in sizes ranging from one (1) cubic yard to fifty (50) cubic yards. A maximum of two (2) recycling or yard and garden containers will be offered to each customer with no additional fees. These containers will be offered in two (2) and four (4) cubic yard sizes.
- c. Container refuse customers may have the option to utilize cart recycling and yard and garden services.
- d. Multi-cart service customers may have the option to use container recycling service as approved by City in consultation with Contractor on a case by case basis.

Section 5 SCOPE OF SERVICE

- a. Multi-cart collection service of refuse (other than for Recyclable Materials and green waste) will be once a week, whereas Recyclable Materials and green waste will alternate on a weekly basis Monday through Friday. Extra frequency and special services will be offered for additional charges as needed or requested by customer.
- b. Container service levels will be determined by the needs of the individual customer. Frequency of collection will be determined by the need of the customer. Service will be available Monday through Saturday at standard rates. Sunday service will be offered as needed or requested by customer for an additional charge.
- c. Service shall include providing all labor, equipment, tools, materials, trucks, containers, and carts, supervision, management, and all other items incidental thereto, and to perform all work necessary, to complete the work as specified, and in the prescribed manner and time for the collection of refuse, Recyclable Materials, neighborhood cleanup materials, and green waste, and the provision of other specified services in the City.
- d. Contractor will provide a Recycling and Education Awareness Program. As an incentive and recognition for City and schools participating in the Recycling Education Awareness Program, Contractor will donate on an annual basis, a portion of the revenues available from the sale of

Recyclable Materials generated from the City to the schools within the City limits of Lodi. The donated amount will be at least twenty-eight thousand five hundred dollars (\$28,500) per year based on the Contractor's established criteria. This amount will increase five hundred dollars (\$500) per year over the life of this agreement. Contractor shall report to City annually.

e. Contractor in coordination with City will provide comprehensive AB 939 services including:

- Contractor shall submit a draft of the Source Reduction and Recycling Element (SRRE) document for City's review and assist City in its submission.
- Contractor shall assist City in preparing the Annual Report, including all necessary documentation and reports.
- Contractor shall prepare the quarterly and annual tonnage reports and submit to City.

Contractor shall defend, indemnify and hold harmless City with respect to the City's failure to meet its AB 939 diversion goals as a result of the Contractor's failure to meet the applicable diversion goals for the materials collected by Contractor. Such indemnity shall be limited to exclude all damages or claims to the extent that they are caused by, arise from or in connection with (i) any negligent actions or omissions or willful misconduct of the City, or its employees, agents, appointed and elected officials; or (ii) the failure of the City or its employees, agents, appointed and elected officials to comply with or enforce applicable solid waste and/or recycling statutes, ordinances, regulations, or other requirements, other than failures attributable to Contractor's performance under this Agreement. The extent of the Contractor's liability under this Section shall not exceed the amount of Contractor's proportionate share of fault.

f. Contractor will provide an illegal dumping pick-up program coordinated between City and Contractor. The Contractor will provide up to thirty-five (35) illegal dump collections during each calendar year. Each collection will be limited to two (2) cubic yards. The illegal dumping service will be provided on public property and City and railroad rights of way only. City will notify Contractor of the illegal dump location, Contractor will be required to collect item(s) within five (5) business days of notification. Contractor will not be required to pick-up toxic or hazardous materials. Upon verification of the identity of the person(s) responsible for the illegal dumping, City will consistent with the exercise of the City Attorney's prosecutorial discretion, prosecute in accordance with local and state litter laws and collect the fees equal to Contractor's disposal cost per ton plus an hourly cost for equipment and labor charges in addition to any fees or fines that may be imposed by City. City will pay Contractor for costs incurred if fees are collected. City shall cooperate with Contractor to verify the identity of persons responsible. For illegal dump collections in excess of thirty-five (35) per calendar year and those in excess of two (2) cubic yards, the City will pay Contractor for such services at the disposal cost per ton and established hourly rate then in effect for each fully-crewed vehicle employed in providing such service from the time the vehicle leaves the Contractor's facility until the time it returns there.

- g. Contractor will provide an annual neighborhood curbside clean-up collection service for single family residential customers once a year. This service will be limited to the equivalent of six 35-gallon refuse carts at the curb. Items must be bagged, bundled, boxed or containerized and weigh less than fifty (50) pounds per container. Items to be disposed must be at the curb, directly in front of the residence and must be away from parked cars and refuse carts. Items must be at the curb by 5:00 a.m. on the customer's regular refuse service date. Contractor will notify all residents of a schedule indicating the dates of the clean up and provide instructions approved by City. This annual service is at no additional charge to all residential customers. Unacceptable items include dirt, concrete, liquids, toxic or hazardous materials, cathode ray tubes (CRT) and large heavy metals such as auto bodies and engines.
- h. The following two services shall be provided to all single family residential customers to assist in helping the City of Lodi discourage illegal dumping and the accumulation of refuse:
- Contractor will provide each single family residential customer with one (1) "Transfer Station Voucher". These vouchers will allow each customer with the ability to bring to Contractor's transfer station a volume of up to two (2) cubic yards of refuse per voucher at no cost. Voucher must be presented upon entrance into transfer station. Unacceptable items include commercial waste, dirt, concrete, tires, liquids, toxic or hazardous materials, cathode ray tubes (CRT) and large heavy metals such as auto bodies, engines, transmissions, refrigerators and air-conditioners that still have CFC's.
 - Contractor will provide at its transfer station an annual dump day. At this event residential customers within the city limits of Lodi may bring a car, pick-up or trailer (not to exceed two (2) cubic yards) load of refuse at a reduced transfer station fee. Proof of residency shall be required. Unacceptable items as defined above.
 - Contractor shall get approval from City for the dates of the above services.
- i. Contractor shall be responsible for all costs associated with the advertising and promotion of special services and activities within this agreement.
- j. Contractor will provide transporting, marketing and processing of all collected Recyclable Materials. Contractor shall have the full and exclusive right to all Recyclable Materials or salvageable material collected in connection with the solid waste and shall have the exclusive right to any funds realized from the sale of Recyclable Materials or salvaged materials.
- k. Contractor will provide disposal services for City Street Sweeping debris and the Annual Fall Leaf Removal at no additional charge to the City. The following conditions will apply:
- Disposal is limited to twelve hundred (1,200) tons per year.
 - Leaves and street sweeping debris will be delivered by the City to the Contractor's Transfer Station and Contractor shall issue a weight tag to the City.

- Leaves must be free of contamination. The City will pay Contractor's regular disposal fee for loads that include contaminants in excess of 1% by weight or volume.

City Services. The Contractor will service Refuse and Recycling containers designated for use at City buildings and properties throughout the City at no additional charge, so long as such containers are provided for City use. At the current time, the City has public containers at approximately 20 locations as depicted on Exhibit [E]. If additional service is needed during the term of the Agreement, the Contractor will provide collection of not more than 10 additional such Refuse and Recycling containers at no additional charge. The City will pay the Contractor for additional such containers in excess of that amount based on then current service rates for non-City services as established by the City.

- m. Special Collection Events. Contractor shall host four (4) collection events per year to be conducted by a third-party vendor to collect e-waste and universal waste at Contractor's transfer station or alternative permitted site within the City agreed to by Contractor and City. Contractor shall host one (1) collection event per year to be conducted by a third-party vendor to collect household hazardous waste at Contractor's transfer station or alternative site within the City agreed to by Contractor and City with San Joaquin County Public Works as the Sponsoring Agency.
- n. Additional Services. If City requests new programs then Contractor shall provide such service programs within the City if requested by the City, provided that the City provides increased rates and/or additional funding at a level that is mutually agreeable to City and Contractor. Contractor shall not be obligated to institute any such new program until such time as Contractor's compensation is increased to provide the funding to support such new programs. The funding of any such new programs required by City of Contractor shall be determined by separate negotiated agreements between City and Contractor, consistent with the provisions of Section 7 of this Agreement.
- o. Program Coordination. Contractor understands and acknowledges that Contractor is providing an integral part of a City service. Therefore Contractor shall cooperate with City and its citizens in carrying out the basic task of collecting solid waste, except as provided herein. City shall have no role in Contractor's provision of solid waste service to any other jurisdiction.
- p. Schedules, Routes, and Literature. Contractor shall make available to City maps and schedules of collection routes and keep such information current at all times. Contractor shall cooperate with the City to coordinate collection route schedules and City street sweeping schedules.
 - 1. Maps and schedules of collection routes shall be available to City not later than thirty (30) calendar days prior to the initiation of collection operations or changes in operation.

2. Maps and schedules of collection routes shall show the day(s) for regularly scheduled pickup for each route and area.
 3. Not less than one week prior to beginning collection operations or changing routes or schedules that alter the day(s) of collection, Contractor at its expense, will so notify each customer affected. Notice shall be made to individual customers, in writing and by public notification by means of local news media.
 4. When a scheduled collection day falls on a holiday (i.e., New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day or Christmas Day), Contractor may, at its option and upon notice to its customers by publication in a local newspaper of general circulation, collect either on the holiday or on the day immediately prior to, or delay collection schedules one day. Contractor may also have the option to reschedule collection to the Saturday before or after the holiday and provide written notice to each customer at least two (2) weeks in advance.
- q. Care and Diligence. Contractor shall exercise all reasonable care and diligence when collecting refuse or providing other services as required in the scope of services. Contractor must exercise due care so as to prevent spilling, scattering, or dropping of collected materials through collector activity and shall immediately, at the time of occurrence, clean up such spillage, dropping or scattering.
- Quality of service provided by Contractor shall be monitored and periodically reviewed by City. Contractor shall maintain quality of service. If City determines that Contractor's quality of service is not being maintained, the City shall provide written notice of such failure to Contractor including a description of the specific deficiencies identified by City and the action necessary to correct such deficiencies. If Contractor fails to correct these deficiencies within ten (10) days of receipt of such notice, such failure shall constitute cause for termination of the Agreement pursuant to Section 29 hereof.
- r. Place of Collection. The normal collection point for cart services shall be at the curbside. Backyard service shall be offered at an additional cost as specified in Exhibit A, B and C. The normal collection point for container services will depend on property and business needs that meet City's planning and zoning laws and regulations.
- s. Refuse Quantities and Preparations. Customers will be limited in the amounts of solid waste they place for disposal as noted in previous sections and as prepared for collection as noted herein:
1. No single item, bag, box or bundle of refuse shall weigh more than fifty (50) pounds, combined cart and contents, except for automated and commercial truck containers. Containers will be limited by type of materials and size of container, not by weight.

2. Loose un-containerized refuse will not be serviced unless previous arrangements have been made with Contractor.

Section 6 BILLINGS AND PAYMENTS

- a. Contractor agrees to pay the City an annual street maintenance fee of \$541,500 effective the first year of this agreement (January 1, 2009 through December 31, 2009). The City shall bill Contractor in equal monthly payments and the City shall deposit in the street fund, commencing January 1, 2009. The street maintenance fee shall be increased by the same percentage amount by which Contractor's rates are increased pursuant to sections 7(b).
- b. City shall, as part of its municipal utility billing system, bill regularly scheduled customers and collect payments from them for the refuse collection and transportation services provided by this Agreement. Contractor shall provide City with all necessary billing information as soon as possible but no later than the City's regularly scheduled billing date. City will furnish billing schedule to Contractor. City will bill contractor \$20,078.75 per month for billing services effective as of the date of this Agreement and may increase the amount up to the percentage increases shown in sections 7(b). If City determines to increase billing charge, City will notify Contractor of said increase thirty days before increase becomes effective.
- c. All solid waste services are mandatory to ensure adequate protection of public health and safety as provided by City Ordinance. Contractor shall provide mandatory solid waste collection, processing and disposal services required under this Agreement for the rates set forth as attached hereto and incorporated herein as Exhibit A, B, C and D, as the same may be adjusted in accordance with Section 7. Rates for any non-mandatory services shall be established by Contractor.
- d. City shall remit to Contractor each Friday, the net collections in the previous week after deducting from collections a 4.8% franchise fee. City hereby agrees to keep and maintain proper records of its collection hereunder and to make such records available to Contractor or its authorized agent for audit at any reasonable time in the office of the City of Lodi Finance Department.
- e. Contractor shall set up a system of accounting to assure that all accounts are in fact being served by Contractor with appropriate refuse collection, curbside recycling, neighborhood cleanup, green waste collection, processing and other services being provided, as otherwise required by this Agreement.
- f. Contractor shall provide the field and office interface in Lodi with its customers. Requests for service shall be made by customers through City. City shall maintain in writing documentation of all such account contacts on a daily basis so that appropriate customer billing and Contractor compensation may be facilitated.

Section 7 RATES

- a. Rates collected for services shall be set forth in Exhibit A, B, C and D, subject to adjustment as provided in this Agreement. Additional services not in exhibits to be determined by Contractor.
 - b. On April 1, 2009, and on each anniversary thereof during the term of this Agreement, the rates shall be adjusted in a percentage amount equal to eighty percent (**80%**) of the annual change in the Consumer Price Index for all Urban Consumers for San Francisco-Oakland-San Jose, California area, All Items (1982-84=100) published by the Bureau of Labor Statistics (the Index) for the twelve (12) month period ending December 31 of the preceding calendar year.
 - c. In January of each year, Contractor shall send to City a revised rate schedule reflecting the new rates, as adjusted by the Index as provided in Section 7.b. City Council will act on rate adjustments to be effective on April 1 of that year.
 - d. In the event the Consumer Price Index for all Urban Consumers for San Francisco- Oakland-San Jose, California area, All Items (1982-84=100) is no longer published by the Bureau of Labor Statistics, Contractor and City shall negotiate in good faith to agree upon a suitable replacement index reflective of the cost of living in the franchise area.
 - e. Contractor may request and City may grant rate changes when contractor incurs increased costs due to a change in federal, state or local laws, rules, regulations, ordinances (other than changes in federal or state income tax laws) or extraordinary increases in fuel, landfill and energy costs.
 - f. All extra and special charges are subject to City Review.
 - g. All rate changes except the base rate in paragraph a. of this Section and the CPI adjustments in paragraph b. and c. of this Section (which have previously been subject to a proposition 218 process) shall be approved and adopted under the procedures set forth by Proposition 218. For Contractor-requested rate changes, Contractor shall reimburse City for all costs incurred by City in connection with the Proposition 218 procedures.
- If**, at any time, a majority protest under Proposition 218 procedures precludes any rate adjustment determined to be appropriate by both City (which determination shall not be unreasonably withheld) and Contractor to compensate Contractor for increases in costs as described in paragraph e. of this Section, Contractor shall be granted the option to negotiate with the City, in good faith, a reduction of services equal to the value of the rate increase request denied under protest of Proposition 218 procedure..

Section 8 MATERIALS TO BE COLLECTED

The Contractor shall furnish all labor, supervision, material, permits, licenses, and equipment necessary to provide basic solid waste, recyclable, neighborhood cleanup, yard and garden waste collection for occupants of specified dwelling units and business establishments within the City, as follows:

- a. Residential and commercial Refuse, including properly containerized residential and commercial refuse and/or rubbish.

- b. Residential and commercial Yard and Garden Waste, including grass clippings, weeds, brushes, brush clippings and branch clippings when properly containerized.
- c. Residential and commercial Recyclable Materials, properly containerized.
- d. Neighborhood cleanup disposables and Recyclable Materials.
- e. Illegal dump services
- f. Contractor shall not collect toxic, or hazardous waste unless and under such conditions as permitted to do so by the State Health Department, except as expressly required by this Agreement.
- g. Contractor may refuse to service a location as specified only when refuse contains illegal materials or is not placed in approved containerization or located in the required pickup area.
- h. Contractor shall discontinue solid waste service at any location as set forth in a written notice sent to it by City. Upon further notification by City, Contractor shall resume collection service on the next regularly scheduled collection day.
- i. All containers will be returned to their proper location after dumping.

Section 9 COLLECTION CONTAINERS

All materials to be collected shall be placed in City approved containers by customers.

Section 10 RUBBISH TOO LARGE OR TOO HEAVY FOR COLLECTION

Items too large or heavy for proper containerization such as bundles of brush and branches, heavy earthen materials and other large items that are out of the scope of normal services will be collected for a negotiated price with the customer. If customer requests such special service, these special services will be scheduled outside of the normal collection schedule.

Section 11 NOTIFICATION

In the event the residents shall place items for collection that are too large or otherwise unsuitable for loading into packer equipment, or otherwise misuse the collection service, the Contractor will notify the customer by a tag system approved by City as follows:

- Contractor shall provide an opportunity for the customer to correct the deficiency. Contractor will contact the customer by telephone and provide a minimum of two (2) tags reminding customer of the problem, but still provide the collection service.
- On the third tag, Contractor shall give the customer notice of the reasons for refusing to collect, citing the appropriate reasons therefore. A special charge will be assessed to the customer for servicing of container if problem is not resolved.

- The notice shall be given by means of a tag no smaller than 3" X 7" securely fastened to the container or article not collected.

Section 12 INDUSTRIAL COLLECTION

Contractor may provide industrial refuse collection services in the City of Lodi in accordance with City Municipal Code.

Section 13 TIME OF COLLECTION

Contractor shall not commence collection of solid waste in residential areas prior to 5:30 a.m. and 5:00 a.m. in commercial areas or continue collection after 6:00p.m. All collections shall be made as quietly as possible, and conform to any Federal, State, County or City noise level regulations.

Section 14 COMPLAINTS

- Contractor will receive and handle all complaints. Upon receipt of the complaints, Contractor shall investigate and resolve the complaint with the complainant. Contractor shall keep a record of all complaints and forward to City on a quarterly basis. Should Contractor not render collection service within forty-eight (48) hours after a missed collection complaint is reported to its authorized representative, City may make whatever arrangements are necessary, in its opinion to provide the collection service. Contractor will reimburse the City for all costs, charges and damages incurred by City, together with the costs of completing the work and all such costs may be charged against any monies due or which may become due Contractor. Contractor shall identify and contact complainant to alleviate the condition causing the complaint.
- City shall notify Contractor of any complaint reported to City. It shall be the duty of Contractor to take whatever reasonable steps may be necessary to remedy the cause of the complaint within forty-eight (48) hours after initial receipt and notify City of its disposition.

Section 15 DISPOSAL SITE DESIGNATION

- All refuse collected in the Service Area shall be transported by Contractor to an approved disposal site. Loads taken to disposal sites will be accounted for by weighing and paid for by Contractor at the then current rate. Contractor shall follow all established rules and regulations when operating on any disposal site. Contractor's operators shall follow all directions given by the landfill spotter when delivering solid waste material.
- Contractor may haul waste collected under the terms of this Agreement to Contractor's Transfer Station. Contractor shall be required to weigh all loads collected in the City and hauled to the Transfer Station. Contractor will keep track and maintain the records of tonnages hauled to and transferred from the Transfer Station by type, (i.e., refuse, recyclable materials and green waste). Except for materials retained for recycling, Contractor shall transport collected refuse to the North County Sanitary Landfill for disposal or to such other disposal sites as City may from time to time designate.

Section 16 COLLECTION VEHICLES

- a. Contractor shall provide and maintain during the entire period of this Agreement a fleet of modern packer-type collection vehicles sufficient in number and capacity to efficiently perform the work and render the services required of Contractor by this Agreement. Contractor shall provide evidence satisfactory to City of its ability to furnish adequate backup vehicles and personnel.
- b. Each collection vehicle shall be kept in a sanitary condition, good appearance and good repair at all times. City reserves the right to inspect Contractor's collection vehicles at any reasonable time to ascertain said condition.
- c. The noise level for the collection vehicles during the stationary compaction process shall meet current State and local standards.
- d. Each truck at all times shall be equipped with a shovel and a broom or rake, intended for the collection of spilled refuse. All vehicles shall be equipped with spill kits to be used in the event of a spill and to prevent fluids or oils from flowing into storm-water drains.
- e. Contractor's vehicles and other equipment must be clearly identified with the name and phone number of Contractor's office on each side of the equipment.
- f. Contractor shall furnish to City upon request a list identifying all equipment to be used in fulfilling this agreement and notify City of any additions or deletions.
- g. Contractor's primary fleet of compactor collection vehicles shall not exceed eight years (8) in age during the term of this agreement, without the City's consent.

Section 17 LAWS TO BE OBSERVED

Contractor shall at all times observe and comply with all Federal and State laws, local laws, ordinances, orders, rules, and regulations of the Federal, State, County, or local governments.

Section 18 FAMILIARITY WITH LAWS AND ORDINANCES

The signing of this Agreement shall be considered as a representation that Contractor is familiar with all Federal, State, and local laws, ordinances, and regulations which affect those engaged or employed in the work, or equipment used in the work or which affect the conduct of the work; and, no plea of misunderstanding will be considered on account of ignorance thereof.

Section 19 TAXES

Contractor shall pay all applicable Federal, State and local taxes.

Section 20 INSURANCE

Contractor shall secure and maintain through out the duration of this Agreement, insurance of such types and not less than amounts as hereinafter listed.

- a. Workman's Compensation. Contractor shall carry with a company authorized under the laws of the State of California, a policy to protect Contractor against liability under the Workman's Compensation and Occupational Disease Statutes of the State of California.
- b. Vehicle Liability Insurance. Contractor shall carry, in Contractor's own name, a policy under a comprehensive form to insure the entire vehicle liability for Contractor's operation with limits of not less than \$5,000,000 combined single limit auto liability. The policy shall be primary and name City, its Elected Officials, Officers, Agents and Employees as additional insureds with respect to the operation of vehicles owned or operated by the Contractor while performing work under the terms of this contract.
- c. General Liability. Contractor shall file with City and maintain on file throughout the term of this contract a comprehensive liability insurance policy issued by a company duly authorized to do business in the State of California, insuring both City and Contractor, with respect to the work performed by Contractor under the terms of this Agreement in an amount of not less than \$2,000,000.00 each occurrence combined single limit for injury or death to persons and for damage to property.
- d. A certificate of Insurance naming City, its Elected Officials, Officers, Agents and Employees as additional insured shall be filed with the City for each policy. Each certificate must be presented in a form and with provisions subject to the Risk Managers approval.
- e. Regardless of such approval by City, it shall be the responsibility of Contractor to maintain adequate insurance coverage at all times, and its failure to do so shall not relieve it of any contractual obligations or responsibility. Failure on the part of Contractor to maintain these insurance policies in full effect will be considered as a failure in Agreement performance and will be treated as such by City.

Section 21 CONTRACTOR TO INDEMNIFY CITY

Contractor shall indemnify and save harmless City, its Elected Officials, Officers, Employees and Agents from any and all claims, suits, or actions made or brought against the City, its officers, employees and agents for any and all injuries or damages, including, but not limited, attorney's fees and costs, experts' fees and costs, and consultants' fees and costs incurred by City in the defense of any such claim, suit or action, which results from or is caused by the negligent acts or willful misconduct of Contractor or its agents or subcontractors in doing the work and rendering the services provided for by this Agreement, excluding injuries or damages to the extent that they are caused by the negligent acts or willful misconduct of City or its employees, agents, subcontractors or elected officials. The extent of Contractor's liability under this section shall not exceed the amount of Contractor's proportionate share of fault.

Section 22 PERMITS

The Contractor shall obtain, at its own expense, all permits and licenses required by Federal, State, and local laws or ordinance and maintain same in full force throughout the term of this Agreement.

Section 23 PERSONAL LIABILITY OF PUBLIC OFFICIALS

Neither the City Council of Lodi nor any officers, employees or agents shall be personally responsible for any liability arising under or growing out of this Agreement or operations of Contractor under the terms of this Agreement.

Section 24 CITY NOT LIABLE FOR DELAY

It is further expressly agreed that in no event shall City be liable or responsible to Contractor or to any other person for or on account of any stoppage or delay in the work herein provided for by injunction or other legal or equitable proceedings filed by persons not a party to this Agreement, or from or by or on account of any delay for cause over which City has no control.

Section 25 PUBLIC CONVENIENCE AND SAFETY

Contractor shall observe City Ordinances relating to encroachments, obstructing streets, keeping alleys or other rights-of-way open and protecting same, and shall obey all laws and City Ordinances controlling or limiting those engaged in the work. Contractor is granted the right of using the streets or alleys for the purpose of doing the work specified in this Agreement, but is not granted exclusive use of such streets or alleys. Contractor shall handle the work in a manner that will cause the least possible inconvenience and annoyance to the general public and to the property owners consistent with Contractor's reasonable operational requirements. There is hereby reserved to City, every right and power which is required to be herein reserved or provided by any ordinance or Charter of City, and Contractor agrees to be bound thereby and to comply with any action or requirements of City in its exercise of such rights or power, heretofore or hereafter enacted or established. The awarding of this Agreement as provided for herein, shall not constitute a waiver or bar to the exercise of any governmental right of City. No right or exemption shall be granted to Contractor except those specifically prescribed herein.

Section 26 EXAMINATION OF THE SITE OF THE WORK

By the signing of this agreement, Contractor represents that it has carefully examined the collection sector, the disposal sites, and that Contractor is fully informed concerning the requirements of this Agreement, the physical conditions to be encountered in the work, and the character, quality and the quantity of service to be performed, and of materials and equipment to be furnished. Negligence or inattention of Contractor in determining site conditions prior to signing the contract, in any phase of its performance of the work, shall be grounds for refusal by the City Manager to agree to additional compensation for additional work caused by such negligence or inattention.

Section 27 VERBAL AGREEMENTS

No verbal agreement or conversation with any officer, agent or employee of City, either before or after execution of this Agreement, shall affect or modify any of the terms or obligations contained in this Agreement. Any such verbal agreement or conversation shall be considered as unofficial information and in no way binding upon City or Contractor.

Section 28 ASSIGNMENTS AND SUBCONTRACTING

No performance to be rendered or payment due under this Agreement may be assigned or transferred, and Contractor shall not subcontract any work hereunder other than those specified in this agreement, without the prior written approval of the City Council. Such assignment or subcontract will not be unreasonably withheld by the City Council.

Notwithstanding the foregoing, Contractor shall have the right upon written notice to the City Council to engage in reorganizations, mergers, consolidations or similar transactions between or among entities owned by the same direct or indirect parent entity.

Section 29 BREACH OF CONTRACT - TERMINATION WITH CAUSE

- a. If Contractor fails to provide the solid waste, recycling, neighborhood cleanup, and green waste services required by this Agreement for a period in excess of five (5) consecutive, scheduled working days, other than by reason of Force Majeure, City may take the following actions:
 1. At its option, take possession of all of Contractor's equipment and facilities used in the performance of this Agreement.
 2. Employ such means as it may deem advisable and appropriate to continue work until the matter is resolved and Contractor is again able to carry out its operations under this Agreement.
 3. Charge any and all operating expenses incurred by City against any money then due or to become due Contractor and, should the City's cost for continuing the operation exceed the amount due Contractor, collect the amount due from Contractor and also to assert a lien on all properties of Contractor.

4. During such period, the liability of City to Contractor for loss or damage to equipment and facilities so used shall be that of a bailee for hire, ordinary wear and tear being specifically exempt from such liability.
- b. In the event Contractor shall be adjudged bankrupt under Chapter 7, either by voluntary or involuntary proceedings, then this Agreement shall immediately terminate and in no event shall this Agreement be, or be treated as, an asset of Contractor after adjudication of bankruptcy.
- c. Failure to perform any material part of this Agreement, other than by reason of Force Majeure, shall be considered a breach of this Agreement. Should Contractor fail to perform any of this Agreement's material obligations, other than by reason of Force Majeure, City may in its option terminate this Agreement after the lapse of the applicable cure period.
- d. In the event of termination of this Agreement for breach, default, or bankruptcy as specified above, City shall have the right to forthwith take possession of all Contractor's equipment, facilities, and records used in the performance of this contract.
 1. City shall have the right to retain possession of said equipment, facilities, and records until other such items can be acquired by City for operation of the system or another Contractor is engaged to perform the service.
 2. City shall have the right at its option to purchase Contractor's equipment and facilities at the fair market value thereof.
 3. City shall pay Contractor the reasonable rental value of such equipment, facilities during the time the same are used by City. Liability of City to Contractor during this period shall be that of a bailee for hire, ordinary wear and tear specifically exempt from such liability.
- e. City hereby expressly retains the right to terminate this Agreement with cause prior to the expiration of the full term of this Agreement. Termination may be effectuated by service of notice upon Contractor, in writing, of City's intent to terminate. Service of the notice to terminate shall be deemed to have been made five days after the date of mailing of the notice to Contractor by City. Nothing contained in this Agreement shall be construed to affect the right of City to terminate this Agreement for cause or breach of contract. Contractor and City may agree, upon mutually satisfactory terms, for the termination of all or any part of the business of this Agreement prior to the expiration of the term of this Agreement.
- f. Criminal Conviction. In the event any contract manager, officer or director of Contractor is convicted of fraud, bribery or attempted bribery of a public officer or employee, embezzlement, extortion, racketeering, false claims, false statements, forgery or any similar felony involving business dishonesty, Contractor shall promptly terminate from employment or remove from office the convicted employee, officer or director and eliminate the ability of such employee, officer or director to manage, supervise or influence the decisions or actions of the Contractor or any parent company of Contractor. If Contractor fails to comply with the foregoing obligation,

Contractor may be considered in breach of this Agreement and City may terminate this Agreement at City's option as provided in this section.

- g. Force Majeure. The performance of this Agreement may be discontinued or temporarily suspended in the event of Force Majeure. Contractor shall not be deemed to be in default and shall not be liable for failure to perform under this Agreement if Contractor's performance is prevented or delayed by Force Majeure. The Parties agree that the settlement of strikes, lockouts or other industrial disturbances, and litigation, including appeals, shall be entirely within the discretion of Contractor, and Contractor may make settlement thereof at such time and on any such terms and conditions as it may deem to be advisable, and no delay in making such settlement shall deprive Contractor of the benefit of this Section. "Force Majeure" means acts of God including landslides, lightning, forest fires, storms, floods, freezing and earthquakes, civil disturbances, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, public riots, explosions, governmental restraint or other causes, whether of the kind enumerated or otherwise, which are not reasonably within the control of the party affected by the Force Majeure event.
- h. Cure. Except for the occurrence or existence of Force Majeure, in the event of any material failure or refusal of Contractor to comply with any obligation or duty imposed on Contractor under this Agreement, Contractor and City shall meet and confer in good faith in an effort to agree on a resolution and cure of the breach. If the parties are unable to agree on the informal resolution or cure of the breach, City shall have the right to terminate this Agreement upon written notice to Contractor if, following such informal meeting: (i) the City shall have given written notice to Contractor specifying the particular default or defaults which, unless corrected, constitute a material breach of this Agreement on the part of Contractor, and (ii) Contractor shall have failed to cure such default or defaults within thirty (30) calendar days thereafter or, if the breach or default cannot reasonably be cured within such period and if diligent efforts to cure promptly commence, then the cure period shall continue as long as such diligent efforts to cure continue, but not beyond a period of ninety (90) calendar days.

Section 30 NON-DISCRIMINATION IN EMPLOYMENT

Contractor, in performing under this Agreement, shall not discriminate against any worker, employee or applicant, or any member of the public because of race, creed, color, religion, sex or national origin, nor otherwise commit an unfair employment practice. Contractor will take affirmative action to ensure that applicants are employed, and that employees are dealt with during employment without regard to their race, creed, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor further agrees that this clause will be incorporated in all subcontracts entered into with suppliers of services, and all labor organizations furnishing skilled, unskilled and union labor, or who may perform any such labor or service in connection with this contract.

Section 31 EMPLOYEES

- a. All subcontractors, superintendents, foremen, and workmen employed by Contractor shall be competent and careful workmen skilled in their respective trades,
- b. Contractor shall not employ any person who repeatedly engages in misconduct or is incompetent or negligent in the due and proper performance of its duties.
- c. Contractor shall enforce a policy which prohibits an employee from being under the influence of, intoxicated by, or otherwise impaired by drugs and/or alcohol while on duty or on company property. Any employee with a positive drug/alcohol screen will be subject to termination.
- d. Employees driving Contractor's vehicles shall at all times possess and carry an appropriate and valid vehicle operator's license issued by the State of California.
- e. Contractor's employees, officers, agents and subcontractors shall, at no time, be allowed to identify themselves or in any way represent themselves as being employees or agents of City.
- f. All persons employed by Contractor to collect refuse shall be required to wear clean uniforms when on duty. Uniforms shall bear a distinctive logo identifying the wearer as an employee of Contractor.

Section 32 CLAIMS

Contractor shall pay all just claims for the payment of employee and other labor, furnished materials service and equipment, rentals, disposal and all other operating expenses associated with and complying with the terms of this Agreement.

Section 33 INDEPENDENT CONTRACTOR

- a. All services delivered by Contractor under this Agreement shall be provided under the coordination of City. It is understood and agreed that Contractor is an independent contractor and that no relationship of employer-employee exists between City and Contractor hereto. Contractor hereby agrees to hold City harmless from any and all claims that may be made against City, its Elected Officials, Officers, Employees or Agents based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.
- b. It is further understood and agreed by the parties hereto that Contractor in the performance of its obligations hereunder is subject to the control or direction of City merely as to the result to be accomplished by the services hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results. No permitted or required approval by City of Contractor pursuant to this Agreement shall be construed as making the City responsible for the manner in which Contractor performs its services or for any acts, errors or omissions of Contractor, such approvals are intended only to give City the right to satisfy itself with the cost and status of work performed by Contractor.
- c. If, in the performance of this Agreement, Contractor employs any third persons, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All

terms of employment, including hours, wages, working conditions, discipline, hiring and discharging or any other terms of employment, or requirements of law, shall be determined by Contractor, and City shall have no right or authority over such person or the terms of such employment, except as provided in Sections 6 and 20 of this Agreement.

- d. It is further understood and agreed that Contractor shall issue W-2 Forms for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

Section 34 CONSTRUCTION AND INTERPRETATION

It is agreed and acknowledged by the parties hereto that the provisions of this Agreement have been arrived at through negotiation, and that each of the parties has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply on construing or interpreting this Agreement.

Section 35 WAIVER

The waiver at any time by any party of any of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or other matter.

Section 36 SUCCESSORS AND ASSIGNS

This Agreement shall bind and inure to the benefits of the respective successors and assigns of the parties.

Section 37 TIME

Time is of the essence in the performance of each and every term of this Agreement,

Section 38 TERM OF AGREEMENT

- a. The term of the Original Agreement commenced on April 1, 2002. The term of this Agreement shall commence and become effective on January 1, 2009 (the "Commencement Date") and shall terminate on December 31, 2016, the eighth anniversary of the Commencement Date.
- b. Contractor shall have the option to renew this Agreement once, for an additional seven years by giving the City notice thereof not later than the seventh anniversary of the Commencement Date. Thereafter, at the City's option, with Contractor's concurrence, this Agreement shall be renewable for successive seven-year increments by giving the Contractor notice of renewal not later than 18 months' prior to the expiration of the then existing term.
- c. At the end of the term of this Agreement, if City implements alternative service programs in the Contractor Service Area, Contractor shall have no financial claim against City of any type or

amount. Contractor specifically acknowledges and understands in this regard that Contractor shall provide the required services under this Agreement, during the term of this Agreement, at the herein agreed compensation, and do so under circumstances where, despite having provided quality service to City, the Agreement may expire as provided above, at which point City would have no remaining financial, legal or other obligation to the Contractor and Contractor would have no expectations of any such further obligation on the part of City.

Section 39 NOTICES

Notices concerning this Agreement shall be deemed to have been served when deposited in the United States Mail, first class postage prepaid, and addressed as follows:

To City: Blair King
City of Lodi
City Manager
221 West Pine Street
Lodi, CA 95240

To Contractor:
Central Valley Waste Services
PO Box 241001
Lodi, CA 95241-9501

Section 40 ENTIRE AGREEMENT

This Agreement constitutes the sole, final, complete, exclusive, integrated expression and statement of the terms and conditions of this Agreement and understanding between City and Contractor concerning the subject matter addressed herein, and supersedes all prior negotiations, representations, or agreements, written or oral, relating to the subject matter of this Agreement. This Agreement shall not be considered modified, altered, changed or amended in any respect unless in writing and signed by both parties hereto. This Agreement may be amended from time to time by mutual agreement of City and Contractor; and, with the consent of Contractor, but at the sole, independent election of the Lodi City Council to do so, may be renewed.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

USA WASTE OF CALIFORNIA, INC., DBA
CENTRAL VALLEY WASTE SERVICES

CITY OF LODI

By: _____

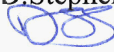
By: _____
Blair King, City Manager

Printed name: Alex Oseguera

Title: Market Area Vice President

Approved as to Form:

D. Stephen Schwabauer, City Attorney



ATTEST:

Randi Johl, City Clerk

Date: _____

CITY OF LODI
MULTI-CART CURBSIDE REFUSE RATES
EFFECTIVE APRIL 1, 2008 THROUGH MARCH 31, 2009

	Current Rate Per Month	New Rate Per Month
<u>1. 38 GALLON REFUSE CART 1X PER WEEK</u>		
1 Refuse Cart	\$ 21.19	\$ 21.94
2 Refuse Carts	\$ 52.94	\$ 54.80
3 Refuse Carts	\$ 84.71	\$ 87.69
4 Refuse Carts	\$ 116.50	\$ 120.60
<u>2. 64 GALLON REFUSE CART 1X PER WEEK</u>		
1 Refuse Cart	\$ 31.86	\$ 32.99
2 Refuse Carts	\$ 79.63	\$ 82.44
3 Refuse Carts	\$ 127.40	\$ 131.89
<u>3. 96 GALLON WASTE CART 1X PER WEEK</u>		
1 Refuse Cart	\$ 69.48	\$ 71.93
2 Refuse Carts	\$ 138.97	\$ 143.87
3 Refuse Carts	\$ 208.46	\$ 215.80
<u>4. DUPLEX AND MULTI-FAMILY, AND MOBILE HOMES</u>		
Monthly rate is reduced one (1) dollar from above base rates	\$ (1.00)	\$ (1.00)
<u>5. LOW VOLUME USER 1X PER WEEK****</u>		
One (1) - 20 Gallon Low Volume Refuse Cart	\$ 14.42	\$ 14.92
<u>6. ADDITIONAL 64 GALLON RECYCLING CARTS</u>		
Second and Third Recycling Cart	No Add'l Charge	No Add'l Charge
Fourth and Each Additional Cart	\$ 11.43	\$ 11.83
<u>7. ADDITIONAL 96 GALLON YARD AND GARDEN CARTS</u>		
Second and Third Yard and Garden Cart	No Add'l Charge	No Add'l Charge
Fourth and Each Additional Yard and Garden Cart	\$ 11.43	\$ 11.83
<u>8. BACK YARD SERVICE****</u>		
Monthly service charge	\$ 11.73	\$ 12.14
Qualified Disabled	No Add'l Charge	No Add'l Charge

Notes:

****Applies to Single Family Dwellings Only

k:\wp\solid waste\lodi_rate_increase_2008_cpi_values.xls

CITY OF LODI
CONTAINER RATES
EFFECTIVE APRIL 1, 2008 THROUGH MARCH 31, 2009

WEEKLY SERVICE - ONE (1) CUBIC YARD CONTAINER

# OF CONTAINERS	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK
1	\$ 114.64	\$ 213.29	\$ 488.72	\$ 881.99	\$ 1,393.14	\$ 2,022.12
2	\$ 182.15	\$ 332.32	\$ 694.60	\$ 1,198.34	\$ 1,843.49	\$ 2,630.04
3	\$ 249.64	\$ 451.33	\$ 900.50	\$ 1,514.68	\$ 2,293.81	\$ 3,237.95
4	\$ 317.12	\$ 570.34	\$ 1,106.37	\$ 1,830.98	\$ 2,744.14	\$ 3,845.90
5	\$ 384.64	\$ 689.35	\$ 1,312.26	\$ 2,147.33	\$ 3,194.51	\$ 4,453.81
6	\$ 452.14	\$ 808.36	\$ 1,518.14	\$ 2,463.67	\$ 3,644.83	\$ 5,061.72
7	\$ 519.63	\$ 927.40	\$ 1,724.05	\$ 2,779.99	\$ 4,095.18	\$ 5,669.66
8	\$ 587.12	\$ 1,046.40	\$ 1,929.94	\$ 3,096.28	\$ 4,545.51	\$ 6,277.59
9	\$ 654.63	\$ 1,165.43	\$ 2,135.82	\$ 3,412.64	\$ 4,995.87	\$ 6,885.51
10	\$ 722.15	\$ 1,284.43	\$ 2,341.70	\$ 3,728.96	\$ 5,446.20	\$ 7,493.40

WEEKLY SERVICE - TWO (2) CUBIC YARD CONTAINER

# OF CONTAINERS	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK
1	\$ 167.04	\$ 314.85	\$ 651.54	\$ 1,114.11	\$ 1,702.60	\$ 2,416.98
2	\$ 283.68	\$ 529.01	\$ 1,000.90	\$ 1,623.93	\$ 2,397.99	\$ 3,323.19
3	\$ 400.35	\$ 743.13	\$ 1,350.33	\$ 2,133.74	\$ 3,093.41	\$ 4,229.38
4	\$ 516.98	\$ 957.30	\$ 1,699.69	\$ 2,643.54	\$ 3,788.84	\$ 5,135.59
5	\$ 633.66	\$ 1,171.38	\$ 2,049.07	\$ 3,153.36	\$ 4,484.24	\$ 6,041.78
6	\$ 750.32	\$ 1,385.56	\$ 2,398.41	\$ 3,663.17	\$ 5,179.68	\$ 6,947.98
7	\$ 867.00	\$ 1,599.69	\$ 2,747.84	\$ 4,172.98	\$ 5,875.07	\$ 7,854.16
8	\$ 983.64	\$ 1,813.83	\$ 3,097.23	\$ 4,682.77	\$ 6,570.49	\$ 8,760.36
9	\$ 1,100.31	\$ 2,027.97	\$ 3,446.60	\$ 5,192.59	\$ 7,265.11	\$ 9,666.56
10	\$ 1,216.96	\$ 2,242.09	\$ 3,795.99	\$ 5,702.38	\$ 7,962.50	\$ 10,572.75

CITY OF LODI
CONTAINER RATES
EFFECTIVE APRIL 1, 2008 THROUGH MARCH 31, 2009

WEEKLY SERVICE - THREE (3) CUBIC YARD CONTAINER

# OF CONTAINERS	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK
1	\$ 212.66	\$ 402.94	\$ 782.05	\$ 1,287.07	\$ 1,917.99	\$ 2,674.81
2	\$ 374.96	\$ 705.15	\$ 1,261.97	\$ 1,969.83	\$ 2,828.80	\$ 3,838.87
3	\$ 537.25	\$ 1,007.39	\$ 1,741.86	\$ 2,652.62	\$ 3,739.62	\$ 5,002.91
4	\$ 699.53	\$ 1,309.57	\$ 2,221.74	\$ 3,335.38	\$ 4,650.45	\$ 6,166.96
5	\$ 861.83	\$ 1,611.80	\$ 2,701.67	\$ 4,018.19	\$ 5,561.31	\$ 7,331.00
6	\$ 1,024.15	\$ 1,913.98	\$ 3,181.56	\$ 4,700.93	\$ 6,472.09	\$ 8,495.05
7	\$ 1,186.41	\$ 2,215.84	\$ 3,661.47	\$ 5,383.70	\$ 7,382.89	\$ 9,659.11
8	\$ 1,348.70	\$ 2,518.40	\$ 4,141.37	\$ 6,066.48	\$ 8,293.75	\$ 10,823.16
9	\$ 1,511.00	\$ 2,820.64	\$ 4,621.30	\$ 6,749.24	\$ 9,204.55	\$ 11,987.21
10	\$ 1,673.30	\$ 3,122.85	\$ 5,101.18	\$ 7,432.02	\$ 10,115.35	\$ 13,151.23

WEEKLY SERVICE - FOUR (4) CUBIC YARD CONTAINER

# OF CONTAINERS	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK
1	\$ 258.31	\$ 491.02	\$ 912.59	\$ 1,460.07	\$ 2,133.42	\$ 2,932.68
2	\$ 466.23	\$ 881.31	\$ 1,523.01	\$ 2,315.78	\$ 3,259.65	\$ 4,354.59
3	\$ 674.17	\$ 1,271.64	\$ 2,133.45	\$ 3,171.56	\$ 4,385.88	\$ 5,776.51
4	\$ 882.10	\$ 1,661.94	\$ 2,743.89	\$ 4,027.31	\$ 5,512.14	\$ 7,198.38
5	\$ 1,090.03	\$ 2,052.22	\$ 3,354.31	\$ 4,883.04	\$ 6,638.39	\$ 8,620.32
6	\$ 1,297.98	\$ 2,442.53	\$ 3,964.76	\$ 5,738.79	\$ 7,764.59	\$ 10,042.21
7	\$ 1,505.94	\$ 2,832.86	\$ 4,575.21	\$ 6,594.54	\$ 8,890.82	\$ 11,464.12
8	\$ 1,713.89	\$ 3,223.15	\$ 5,185.62	\$ 7,450.26	\$ 10,017.07	\$ 12,886.03
9	\$ 1,921.81	\$ 3,613.45	\$ 5,796.05	\$ 8,306.03	\$ 11,143.32	\$ 14,307.94
10	\$ 2,129.77	\$ 4,003.75	\$ 6,406.47	\$ 9,161.75	\$ 12,269.55	\$ 15,729.85

CITY OF LODI
CONTAINER RATES
EFFECTIVE APRIL 1, 2008 THROUGH MARCH 31, 2009

WEEKLY SERVICE - FIVE (5) CUBIC YARD CONTAINER

# OF CONTAINERS	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK
1	\$ 303.95	\$ 579.12	\$ 1,043.13	\$ 1,633.01	\$ 2,348.84	\$ 3,190.53
2	\$ 557.53	\$ 1,057.48	\$ 1,784.11	\$ 2,661.76	\$ 3,690.47	\$ 4,870.28
3	\$ 811.09	\$ 1,535.88	\$ 2,525.06	\$ 3,690.45	\$ 5,032.14	\$ 6,550.09
4	\$ 1,064.68	\$ 2,014.27	\$ 3,266.02	\$ 4,719.19	\$ 6,373.78	\$ 8,229.86
5	\$ 1,318.30	\$ 2,492.68	\$ 4,006.96	\$ 5,747.91	\$ 7,715.43	\$ 9,909.63
6	\$ 1,571.84	\$ 2,971.05	\$ 4,747.95	\$ 6,776.62	\$ 9,057.11	\$ 11,589.37
7	\$ 1,825.47	\$ 3,449.43	\$ 5,488.91	\$ 7,805.35	\$ 10,398.76	\$ 13,269.12
8	\$ 2,079.03	\$ 3,927.82	\$ 6,229.87	\$ 8,834.07	\$ 11,740.39	\$ 14,948.91
9	\$ 2,332.63	\$ 4,406.23	\$ 6,970.82	\$ 9,862.78	\$ 13,082.06	\$ 16,628.68
10	\$ 2,586.21	\$ 4,884.62	\$ 7,711.79	\$ 10,891.50	\$ 14,423.69	\$ 18,308.45

WEEKLY SERVICE - SIX (6) CUBIC YARD CONTAINER

# OF CONTAINERS	1 X WK	2 X WK	3 X WK	4 X WK	5 X WK	6 X WK
1	\$ 349.56	\$ 667.18	\$ 1,173.66	\$ 1,805.99	\$ 2,564.25	\$ 3,448.41
2	\$ 648.79	\$ 1,233.66	\$ 2,045.13	\$ 3,007.68	\$ 4,121.31	\$ 5,386.00
3	\$ 948.01	\$ 1,800.10	\$ 2,916.63	\$ 4,209.36	\$ 5,678.34	\$ 7,323.65
4	\$ 1,247.24	\$ 2,366.58	\$ 3,788.07	\$ 5,411.03	\$ 7,235.43	\$ 9,261.24
5	\$ 1,546.45	\$ 2,933.02	\$ 4,659.57	\$ 6,612.72	\$ 8,792.47	\$ 11,198.86
6	\$ 1,845.65	\$ 3,499.53	\$ 5,531.07	\$ 7,814.41	\$ 10,349.53	\$ 13,136.48
7	\$ 2,144.88	\$ 4,066.00	\$ 6,402.53	\$ 9,016.08	\$ 11,906.60	\$ 15,074.10
8	\$ 2,444.08	\$ 4,632.46	\$ 7,274.02	\$ 10,217.76	\$ 13,463.63	\$ 17,011.70
9	\$ 2,743.31	\$ 5,198.90	\$ 8,145.52	\$ 11,419.45	\$ 15,020.71	\$ 18,949.32
10	\$ 3,042.56	\$ 5,765.37	\$ 9,016.99	\$ 12,621.12	\$ 16,577.77	\$ 20,886.96

EXHIBIT "D"
CITY OF LODI
10 TO 50 CUBIC YARD ROLL OFF* CONTAINERS
COMPACTOR RATE STRUCTURE

EFFECTIVE APRIL 1, 2008 THROUGH MARCH 31, 2009

**TEMPORARY OR PERMANENT COMMERCIAL
COMPACTOR RATES**

NEW RATES

1. Drop-off and Pick-up Charge Per Box	\$ 258.63
2. Weighed Tons Disposed/Box X Processing Charge	\$ 34.25
3. Franchise Fee (4.8% of 1+2)	\$ -

TOTAL BILL (1+2+3)

* This charge will be applied to loads that are serviced by "Roll Off" vehicles.

* This charge will be applied per load to self contained compaction containers or containers that attach to a charging unit for the purpose of compaction in sizes on or about 10 to 50 cubic yards.

EXHIBIT E**CITY SERVICES
SERVICE LOCATIONS****April 18, 2008**

<u>LOCATION</u>	<u>UNIT</u>	<u>CAPACITY</u>	<u>PICK-UPS PER WEEK</u>
CITY HALL			
221 W Pine Street	1	5 YD	1
	4	64 GAL Recycle	1
	1	4 YD Recycle	1
300 W Pine Street	1	96 GAL	1
	1	2 YD Recycle	1
FIRE DEPARTMENT			
25 E Pine Street	1	64 GAL	1
210 W Elm Street - ST#1	2	64 GAL Recycle	1
705 E Lodi Ave - St#2	1	1 YD	1
	1	64 GAL Recycle	1
2141 S Ham Lane - ST#3	1	1 YD	1
	1	64 GAL Recycle	1
180 N Lower Sacramento RD - St#4	1	96 GAL	1
	1	64 GAL Recycle	1
	1	96 GAL Green Waste	1
LODI LIBRARY			
201 W Locust Street	1	2 YD	1
	1	2 YD Recycle	1
POLICE FACILITY			
215 W Elm Street	1	4 YD	2
	1	4 YD Recycle	1
PARKS AND RECREATION			
2001 S Stockton Street - Salas Park	1	6 YD	1
125 N Stockton Street - Office	2	3 YD	1
	1	64 GAL Recycle	1
1301 W Turner Road - Lodi Lake	8	3 YD	2
MUNICIPAL COURT			
315 W Elm Street	1	3 YD	2
	3	64 GAL Recycle	1
ANIMAL SHELTER			
1345 W Kettleman Lane	2	64 GAL	1
	2	96 GAL	1
	1	64 GAL Recycle	1

EXHIBIT E
City Services (Continue)

TRAIN STATION			
24 S Sacramento Street	1	2 YD	1
UTILITY YARD			
1331 S Ham Lane			
	2	4 YD Recycle	1
	5	64 GAL Recycle	1
HUTCHINS STREET SQUARE			
125 S Hutchins Street	2	6 YD	1
	1	4 YD	1
	3	64 GAL Recycle	1
WHITE SLOUGH	1	20 YD RO	As Requested. Total 8 Loads Per Year
ARMORY			
333 N Washington Street	2	20 YD RO	As Requested. Total 12 Loads Per Year

CITY OF LODI
10 TO 50 CUBIC YARD CONTAINERS
RATE STRUCTURE

EFFECTIVE APRIL 1, 2008 THROUGH MARCH 31, 2009

PERMANENT HIGH FREQUENCY ROLL-OFF RATES

	CURRENT RATES	NEW RATES
1. Drop-off and Pick-up Charge Per Box	\$ 146.91	\$ 152.09
2. Weighed Tons Disposed/Box X Processing Charge	\$ 33.08	\$ 34.25
3. Franchise Fee (4.8% of 1+2)	\$ -	\$ -
TOTAL BILL (1+2+3)		

ONE-TIME TEMPORARY USER ROLL-OFF RATES

1. Drop-off/Pick-up Charge Per Box	\$ 186.44	\$ 193.01
2. Tons Disposed/Box X Processing Charge (Average of five (5) tons charged per Box)	\$ 33.08	\$ 34.25
3. Franchise Fee (4.8% of 1+2)	\$ -	\$ -
TOTAL BILL (1+2+3)		

RESOLUTION NO. 2008-120

A RESOLUTION ~~OF~~ THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE A
NEW FRANCHISE SERVICE AGREEMENT WITH
CENTRAL VALLEY WASTE SERVICES, INC., FOR
SOLID WASTE REMOVAL

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a new franchise service agreement with Central Valley Waste Services, Inc., for solid waste removal; and

BE IT FURTHER RESOLVED that the new agreement will take effect on January 1, 2009 and expire December 31, 2016, with an option to renew for a seven-year period at the end of the term at the discretion of Central Valley Waste Services, Inc.

Dated: June 18, 2008

=====

I hereby certify that Resolution No. 2008-120 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 18, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Katzakian,
and Mayor Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


JENNIFER M. PERRIN
Deputy City Clerk

Solid Waste Franchise Agreement

Lodi City Council

June 18, 2008

Business Points

- A. Solid Waste, Green Waste and Recycling
 - 1. Same weekly frequency and 3-can system
 - 2. Up to 2 additional green waste and recycling carts will be provided at no cost
 - 3. One free visit voucher
 - 4. One Reduced-Price Dump Day Event
 - 5. Annual neighborhood curbside cleanup

Business Points

B. Hazardous Waste

1. Quarterly electronic/universal waste collection events will be held at the Turner Road facility or another Lodi location

C. Billing Service

1. City will continue to charge \$20,078.75 per year to CVWS for billing customers
2. Billing charge will annually increase by 80% of the Consumer Price Index increase

Business Points

D. Street Cleaning, Trash Collection and Leaf Pick Up Service

1. City forces will sweep streets, collect trash from public receptacles and pick up leaves
2. City will dump this material at the Transfer Station at no cost to City
3. CVWS will pay the City an annual street cleaning and maintenance fee of \$541,500 (annual adjustment of 80% of the CPI)

Business Points

E. Annual collection rate adjustments

1. Annual change at 80% of Consumer Price Increase
2. Date of rate change will be April 1

F. Renewal term

1. Eight years beginning January 1, 2009
2. One CVWS option to renew for additional 7 years
3. Effective term of the agreement with the renewal option is 15 years

Business Points

- Compactor rates revised for servicing certain types of compactors that are labor intensive

Annual Financial Enhancements

<u>Item</u>	<u>Impact</u>	<u>Comment</u>
Street Cleaning, Maintenance & Park Refuse	\$ 541,500	Payment to Street Fund
Dump Charges	\$ 50,700	No cost to City
Service to City Facilities	\$ 71,500	No cost to City
Billing Reimbursement	\$ 7,000	Annual increase at 80% of CPI
Total Financial Enhancements	\$670,700	

Rate Impacts

- No impact in 2008
- Future increases remain at 80% of CPI
- Other adjustments cannot be backed into the rates

Summary of Business Points

1. Basic Elements of the Agreement Remain
2. Electronic/Universal Waste Collection in Lodi
3. Billing Charge annually adjusted per CPI
4. CVWS pays City for street cleaning, trash collection and leaf pick-up service
5. CVWS waives past charges for service to City facilities and waives charges for City dumping at Transfer Station
6. Annual Rate Adjustment remains unchanged
7. Renewal Term 8 Years beginning Jan. 1, 2009
8. Option to extend 7 years on Jan. 1, 2017
9. Compactor rates for special cases

CITY COUNCIL

JOANNE L. MOUNCE. Mayor
LARRY D. HANSEN,
Mayor Pro Tempore
SUSAN HITCHCOCK
BOB JOHNSON
PHIL KATZAKIAN

CITY OF LODI
PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6710
EMAIL pwdept@lodi.gov
<http://www.lodi.gov>

BLAIR KING
City Manager

RANDI JOHL
City Clerk

D. STEVEN SCHWABAUER
City Attorney

F. WALLY SANDELIN
Public Works Director

June 13, 2008

Mr. Thom Sanchez
Central Valley Waste Services, Inc.
P.O. Box 241001
Lodi. CA 95241-9501

**SUBJECT: Adopt Resolution Authorizing the City Manager to Execute a New
Franchise Agreement with Central Valley Waste Services, Inc.**

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, June 18, 2008. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter *to* City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Randi Johl, City Clerk, at 333-6702.

If you have any questions about the item itself, please call me at 333-6709.



for: F. Wally Sandelin
Public Works Director

FWS/pmf

Enclosure

cc: City Clerk